



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF STATE LANDS AND FORESTRY

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DOGM
MINERALS PROGRAM
FILE COPY

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JAN 21 1992

DIVISION OF
OIL GAS & MINING

M/047/010

January 17, 1992

American Gilsonite Co.
Bonanza, UT 84008
FAX 801-789-1921-56

Dear Mr. Tilley:

RE: ML 31934--Gilsonite

Thank you for submitting a very complete and detailed explanation of your proposed mining operation for lands under State Gilsonite Lease ML 31934. I have reviewed the material which you sent and only ask that you have the Division pre-approve the seed mixture. I see no problems with the proposal but final approval to mine must await review by the State Environmental Coordinating Committee. The committee has until February 10, 1992, to respond to the proposal.

The Division continues to hold your CD No. 2-937174-7 in the amount of \$10,000 in-lieu of a surety bond. This CD satisfies the Divisions bonding requirement for the proposed mine.

I will contact you again before the middle of February for final disposition of this matter. Please notify me as soon as you receive the required permit to mine from Division of Oil, Gas, and Mining.

Sincerely yours,

JOHN T. BLAKE
MINERAL RESOURCES SPECIALIST

JTB/tdw

cc: Wayne Hedberg
Division of Oil, Gas, and Mining